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26 FEB 1966

MEMORANDUM FOR: Deputy Director for Plans
Deputy Director for Intelligence
Deputy Director for Science and Technology
Deputy Director for Support

**SUBJECT : Inspector General Survey of Agency
Procurement Activities**

1. In connection with the Inspector General Survey of Agency Procurement Activities, I have approved the attached statement of the scope and objectives of the study. As you know, we have engaged the services of the consultant firm of Peat, Marwick, Livingston and Co. to participate on a full-time basis in conducting the study. The persons participating in the work have been fully cleared, security briefed and polygraphed.

2. The purpose of the survey is to ensure that the procurement activities of the Agency meet the highest standards of any Government agency, with due consideration to the special requirements of security. It is not the purpose of the survey to examine the need for the various procurement and R&D projects.

3. The cooperation of each directorate will be necessary to the Inspector General in ensuring adequate review of procedures and for selection of projects for detailed analysis. This survey will be made in depth. If there are any activities that in your opinion are too sensitive to be included, I would be glad to discuss them together with you and the Inspector General.

/s/ L. K. White

L. K. White
Executive Director-Comptroller

Attachment
Statement of Scope and
Objectives of Study

OIG:SDBreckinridge:lp:js (25 Feb '66)

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SCOPE AND OBJECTIVES OF INSPECTOR GENERAL SURVEY OF AGENCY PROCUREMENT ACTIVITIES

Task I. Appraise the effectiveness of the Research and Development Procurement System including:

1. Analysis of (a) requirements determination, (b) responsiveness of procurement to needs, (c) operating procedures including data processing and (d) management control;
2. Identification of major current and potential procurement problems, including the possible need for allocation and priority assistance; and
3. Identification of alternate courses of corrective action for any problems cited.

Task II. Appraise the effectiveness of the Logistic Support System including:

1. Analysis of (a) requirements determination, (b) responsiveness of procurement to needs, (c) operating procedures including data processing and (d) management control;
2. Identification of major current and potential procurement problems, including the possible need for allocation and priority assistance; and
3. Identification of alternate courses of corrective action for any problems cited.

Task III. Appraise the impact of programming, budgeting, funding, accounting and auditing systems on procurement activities.

Task IV. Appraise the procurement organization in terms of its impact on security and on the efficiency of the procurement activities.

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